REMARKS

Claims 1-25 are pending in the application. Claims 1, 12 and 19 have been amended.

Applicant respectfully requests reconsideration of the claim rejections based on the above

amendments and following remarks.

Claim Rejections – 35 U.S.C. 103

The following obviousness rejections were asserted in the Office Action:

(i) Claims 1-11 stand rejected as being unpatentable over U.S. Patent No. 6,535,251 to

Ribas-Corbera ("Ribas") in view of U.S. Patent No. 6,529,552 to Tsai and further in view of U.S.

Patent No. 6,100,940 to Dieterich, for the reasons set forth on pages 2-4 of the Office Action;

(ii) Claims 12, 13, 15-20 and 22-25 stand rejected as being unpatentable over Ribas in

view of Tsai and further in view of U.S. Patent No. 6,205,174 to Fert; for the reasons set forth on

pages 4-6 of the Office Action; and

(iii) Claims 14 and 21 stand rejected as being unpatentable over Ribas in view of Tsai

and further in view of Fert and Dieterich, for the reasons set forth on page 6 of the Office Action.

At the very minimum, claims 1, 12 and 19 are believed to be patentable over the above

combinations of references because the cited combinations do not teach or suggest, for example,

a system or method for variable bit rate transmission of video data including a channel rate

controller or method for *dynamically negotiating with a network to generate traffic parameters*

that are used for dynamically adjusting bandwidth and for dynamically smoothing a

transmission rate to a maximum sustainable transmission rate, as essentially claimed in claims 1,

12 and 19. For each of the above rejections, the Examiner relies on Ribas as teaching a channel

rate controller for generating parameters for smoothing and bandwidth negotiations (see e.g., page 2 of the Office Action). However, Applicant respectfully submits that at the very least Ribas does not teach a method for *dynamically smoothing a transmission rate to a maximum sustainable transmission rate*, as essentially claimed.

Indeed, although Ribas discloses (FIG. 5) a channel rate control unit (68), Ribas does not explicitly describe the function of the channel rate control unit (68) except that such unit "may be provided as is known in the art." (see, Col. 3, lines 59-61). Moreover, the Examiner's reliance on the cited sections of Ribas (Col. 1, lines 16-19; Col. 3, line 56 to Col. 4, line 3; and Col. 9, lines 47-51) appears to be misplaced because these cited sections do not discuss operation of the channel rate controller unit (68). In addition, although Ribas arguably discloses parameters R_{max} and R_{avg} (average target bit rate), Ribas does not explicitly disclose *dynamically computing a maximum sustainable transmission rate based on traffic parameters*, as essentially claimed.

Moreover, although Tsai considers network/channel parameters for controlling the bit rate while encoding video data, Tsai discloses computing the quantization (Q) based on an average rate (see, FIG. 8, step 401; Col. 7, lines 59-61), However, Tsai does not cure the deficiencies of Ribas as discussed above because, e.g., computing the quantization (Q) based on an average rate (as disclosed by Tsai) is different than *dynamically computing a maximum sustainable transmission rate based on traffic parameters*, as essentially claimed.

Therefore, for at least the above reasons, claims 1, 12 and 19 are believed to be patentable and non-obvious over the respective combinations of references. Accordingly, all claims that depend from claims 1, 12 and 19 are patentable over the cited combinations of references at least by virtue of their dependence from claims 1, 12 and 19. Accordingly, the withdrawal of the rejection under 35 U.S.C. §103(a) is respectfully requested.

Early and favorable consideration by the Examiner is respectfully urged. Should the

Examiner believe that a telephone or personal interview may facilitate resolution of any

remaining matters, it is requested that the Examiner contact Applicants' undersigned attorney.

Respectfully submitted,

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